(d) the time-frame fixed for the same?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN): (a) and (b) No, Sir.

(c) and (d) The criteria set to give mini ratna status to Central Public Sector Enterprises is continuous profit for last 3 years, positive net worth, no default in repayment of loans/ interest payment on any loans due to the Government, non-dependence on budgetary support/Government Guarantees and appointment of minimum three non-official Directors.

**Effect of global meltdown on textile industry**

997. SHRIMATI MOHSINA KIDWAI: Will the Minister of TEXTILES be pleased to state:

(a) whether Government is aware that in the financial year that ended in March, 2008, approximately 800,000 garment and textile employees had lost their jobs and almost half of the two million lost in export-oriented industries;

(b) the details of exports of textile items to different countries during the last three years;

(c) how far the meltdown effect has affected the textile industry and their exports during the current year;

(d) the steps taken by Government to boost the export of textiles particularly handloom made items; and

(e) the details of measures taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN): (a) The Government is seized of the submissions of the industry and trade associations regarding loss of employment in the textiles and clothing/garment industry consequential to declining demand in domestic and international markets. However, no specific or definite number of job loss has been reported so far.

(b) and (c) The details of exports of textiles items (principal commodities) for the last three years and current financial year for the period, of April-October, 2009 are given in the enclosed Statement-I. (*See* below). The textiles export has recorded a growth of 5.25% in US dollar terms during April-October, 2008 over the corresponding period of the previous year. However, it has recorded a decline of 16.5% in October, 2008 over October, 2007 clearly showing the effect of meltdown in major markets *viz.* USA and EU.

(d) and (e) The steps taken by the Government to boost the export of textiles items in general and handlooms items in particular are given in the Statement-II.

***Statement-I***

*Details of exports of textile items (Principal Commodities) for the last three years and current financial year for the period of April-October,* 2009

| Item | 2005-06 | | 2006-07 | | 2007-08 | | Apr.-Oct. 2007 | | Apr.-Oct. 2008 | | Variation | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Rs. crore | US$ Mn | Rs. crore | US$ Mn | Rs. crore | US$ Mn | Rs. crore | US$ Mn | Rs. crore | US$ Mn | Rupee | US$ |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| **Readymade Garment** | **35358.49** | **7986.38** | **37506.17** | **8282.27** | **36497.79** | **9065.36** | **20820.31** | **5117.54** | **23330.02** | **5355.10** | **12.05%** | **4.64%** |
| RMG of cotton including accessories | 29015.48 | 6553.69 | 31289.51 | 6909.48 | 30335.79 | 7534.84 | 16944.39 | 4164.86 | 18617.56 | 4273.42 | 9.87% | 2.61% |
| RMG of Man-made fibre | 4542.21 | 1025.94 | 4225.88 | 933.18 | 3912.26 | 971.73 | 2435.56 | 598.65 | 2648.74 | 607.98 | 8.75% | 1.56% |
| RMG of other textile material | 1800.80 | 406.74 | 1990.78 | 439.61 | 2249.74 | 558.79 | 1440.36 | 334.03 | 2063.72 | 173.70 | 43.28% | 33.80% |
| **Cotton Textiles** | **20369.27** | **4600.78** | **25197.20** | **5564.15** | **27585.98** | **6851.84** | **11735.81** | **2884.61** | **13375.76** | **3070.23** | **13.97%** | **6.43%** |
| Cotton raw including waste | 2904.35 | 656.00 | 6107.81 | 1348.75 | 8865.39 | 2202.00 | 1198.90 | 294.68 | 1682.78 | 386.26 | 40.36% | 31.08% |
| Cotton yarn, fabrics and madeups | 17464.92 | 3944.78 | 19089.39 | 4215.40 | 18720.59 | 4649.84 | 10536.91 | 2589.93 | 11692.98 | 2683.97 | 10.97% | 3.63% |
| **Man-made textiles** | **9029.91** | **2039.57** | **10863.39** | **2398.90** | **12785.02** | **3175.56** | **7144.52** | **1756.09** | **9021.69** | **2070.81** | **26.27%** | **17.92%** |
| Man-made staple fibres | 361.97 | 81.76 | 888.52 | 196.21 | 1121.72 | 278.61 | 456.79 | 112.28 | 661.10 | 151.75 | 44.73% | 35.15% |
| Man-made yarn, fabrics and madeups | 8667.94 | 1957.82 | 9974.87 | 2202.69 | 11663.30 | 2896.94 | 6687.73 | 1643.82 | 8360.59 | 1919.06 | 25.01% | 16.74% |
| **Wool and Woolen textiles** | **2018.52** | **455.92** | **1919.36** | **423.84** | **1783.13** | **442.90** | **1006.71** | **247.44** | **1304.26** | **299.38** | **29.56%** | **20.99%** |
| RMG of Wool | 1640.93 | 370.63 | 1533.86 | 338.71 | 1409.55 | 350.11 | 805.74 | 198.05 | 1040.07 | 238.73 | 29.08% | 20.54% |
| Woollen yarn, fabrics and madeups | 377.59 | 85.29 | 385.50 | 85.13 | 373.58 | 92.79 | 200.97 | 49.40 | 264.19 | 60.64 | 31.46% | 22.76% |
| **Silk** | **3069.39** | **693.28** | **3196.89** | **705.95** | **2646.75** | **657.40** | **1484.14** | **364.80** | **1827.42** | **419.46** | **23.13%** | **14.99%** |
| RMG of Silk | 1154.31 | 260.72 | 1197.21 | 264.37 | 1093.67 | 271.65 | 577.12 | 141.85 | 828.95 | 190.27 | 43.64% | 34.13% |

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Natural silk yarn, fabrics and madeups | 1895.17 | 428.06 | 1976.90 | 436.55 | 1540.93 | 382.74 | 898.05 | 220.74 | 994.60 | 228.30 | 10.75% | 3.43% |
| Silk waste | 19.91 | 4.50 | 22.78 | 5.03 | 12.15 | 3.02 | 8.97 | 2.20 | 3.87 | 0.89 | -56.86% | -59.71% |
| Total Textiles | 69845.58 | 15775.93 | 78683.01 | 17375.11 | 81298.67 | 20193.06 | 42191.49 | 10370.49 | 48859.15 | 11214.97 | 15.80% | 8.14% |
| **Handicrafts** | **5819.89** | **1314.53** | **6181.00** | **1364.91** | **5841.74** | **1450.98** | **3773.32** | **927.47** | **2899.87** | **665.63** | **-23.15%** | **-28.23%** |
| Handicrafts (excluding handmade carpets) | 2045.34 | 461.98 | 1981.91 | 437.65 | 2046.21 | 508.24 | 1555.01 | 382.21 | 818.62 | 187.90 | -47.36% | -50.84% |
| Carpets (excluding silk) handmade | 3671.19 | 829.21 | 4066.73 | 898.03 | 3723.42 | 924.83 | 2182.09 | 536.35 | 2064.06 | 473.78 | -5.41% | -11.67% |
| Silk carpets | 103.36 | 23.35 | 132.36 | 29.23 | 72.11 | 17.91 | 36.22 | 8.90 | 17.19 | 3.95 | -52.54% | -55.68% |
| **Coir and Coir Manufacturers** | **590.37** | **133.35** | **660.25** | **145.80** | **644.87** | **160.17** | **373.41** | **91.78** | **389.78** | **89.47** | **4.38%** | **-2.52%** |
| Coir and Coir Manufacturers | 590.37 | 133.35 | 660.25 | 145.80 | 644.87 | 160.17 | 373.41 | 91.78 | 389.78 | 89.47 | 4.38% | -2.52% |
| **Jute** | **1311.63** | **296.26** | **1178.39** | **260.22** | **1312.87** | **326.09** | **589.51** | **144.90** | **743.41** | **170.64** | **26.11%** | **17.76%** |
| Floor covering of jute | 338.00 | 76.34 | 291.08 | 64.28 | 317.56 | 78.88 | 186.56 | 45.86 | 151.04 | 34.67 | -19.04% | -24.39% |
| Other jute manufactures | 252.55 | 57.04 | 269.18 | 59.44 | 315.73 | 78.42 | 204.09 | 50.16 | 328.88 | 75.49 | 61.14% | 50.49% |
| **Jute yarn** | **230.18** | **51.99** | **242.32** | **53.51** | **215.14** | **53.44** | **116.64** | **28.67** | **140.08** | **32.15** | **20.10%** | **12.15%** |
| Jute hessian | 490.90 | 110.88 | 375.81 | 82.99 | 464.44 | 115.36 | 268.78 | 66.06 | 274.45 | 63.00 | 2.11% | -4.64% |
| Total Textiles Exports | 77567.47 | 17520.07 | 86702.65 | 19146.04 | 89098.15 | 22130.30 | 46927.73 | 11534.63 | 52892.21 | 12140.71 | 12.71% | 5.25% |
| % Testile Exports | 16.99% | 16.99% | 15.16% | 15.16% | 13.58% | 13.58% | 13.14% | 13.14% | 11.20% | 11.20% | | |
| India's exports of all commodities | 456417.88 | 103090.53 | 571779.29 | 126262.68 | 655863.52 | 162904.15 | 357229.38 | 87805.43 | 472286.01 | 108407.02 | 32.21% | 23.46% |

Source: Department of Commerce, NIC and DGCI&S, Kolkata (Provisional figures).

***Statement-II***

*Details of steps taken by the Government to boost the export of textiles and in particular handloom items*

Steps taken by the Government to support the textiles and garments industry are as follows:—

(i) DEPB Scheme extended till May, 2009.

(ii) Income Tax benefit to 100% EOUs under Section 10B of I.T. Act, being extended by Government for one more year, beyond 31.3.2009.

(iii) Customs duty payable under EPCG scheme reduced from 5% to 3%.

(iv) Average export obligation under EPCG for Premier Trading Houses shall, as an option, be calculated; based on the average of last 5 years export, instead of the present 3 years.

(v) Exports made towards fulfillment of export obligation under EPCG Scheme shall be eligible for incentives/rewards under promotional schemes.

(vi) In case of textile and granite sector EOUs, payment of only excise duty on DTA sale. In case the use of duty paid imported inputs is up to 3% of the FOB value of exports.

(vii) Enhanced duty credit scrip of 2.5% (instead of the normal 1.25% under FPS) would be allowed for export of High value added manufactured products.

(viii) Inclusion of 10 more countries within the ambit of Focus Market Scheme.

(ix) Measures to reduce transaction cost to the exporters and procedural simplification have also been incorporated.

In addition to the above, the Government have announced on 7th December, 2008 and 2nd January, 2009, packages of measures to stimulate the economy. So far as the textiles sector is concerned, the measures, *inter-alia*, provide for the following:—

(i) Additional allocation of Rs. 1400 crore to clear the entire backlog of Technology Upgradation Fund Scheme (TUFS).

(ii) All items of handicrafts to be included under 'Vishesh Krishi and Gram Udyog Yojana (VK&GUY)'.

(iii) Across-the-board cut of 4% in the *ad-valorem* Cenvat rate till 31.3.2009.

(iv) Interest subvention of 2% upto 31.3.2009 subject to a minimum of 7% per annum on pre and post-shipment export credit (since extended to 20.9.09 in the Union Budget 2009-10).

(v) Provision of additional funds for full refund of Terminal Excise Duty/Central Sales Tax.

(vi) Enhanced back-up guarantee to ECGC to cover for exports to difficult markets/ products.

(vii) Refund of Service Tax on foreign agent commissions of upto 10% of FOB value of exports as well as refund of service tax on output service while availing benefits under Duty Drawback Scheme.

(viii) Credit targets of Public Sector Banks are being revised upward to reflect the needs of the economy.

(ix) State Level Bankers Committee would be holding meetings for resolution of Credit issues of MSMEs.

(x) Guarantee cover under Credit Guarantee Scheme doubled to Rs. 1 crore with cover of 50%.

(xi) DEPB rates have been restored to pre November, 2008 levels and extended till 31.12.2009.

(xii) Duty Drawback on knitted fabrics has been enhanced retrospectively from 1.9.2008.

**Sops given to textile industries**

998. SHRIMATI T. RATNA BAI: Will the Minister of TEXTILES be pleased to state:

(a) the sops given to textile industries in each State; and

(b) the beneficiaries under SC/ST in Andhra Pradesh?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN): (a) and (b) The Government has not given any State-wise/caste-wise sops for the textile industry.

**Increasing MSP for cotton**

999. SHRIMATI JAYA BACHCHAN: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that Government has increased the Minimum Support Price (MSP) for the cotton this year;

(b) if so, the details in this regard and the quantum of cotton procured so far this year;

(c) whether it is also a fact that the steep increase in MSP did not take into account the global downturn, thus creating perpetual problems for the textile industry and the Cotton Corporation of India (CCI) as the prices are not likely to firm up soon; and

(d) how does Government proposes to resolve this problem?